

SQUIRE, SANDERS & DEMPSEY L.L.P.
Stephen D. Lerner (2067841)
1095 Avenue of the Americas, 31st Floor
New York, NY 10036
(212) 872-9800 - phone
(212) 872-9815 - facsimile

Counsel for Broadridge Securities Processing Solutions, Inc.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
:
In re: : Chapter 11
:
LEHMAN BROTHERS HOLDINGS, INC., et al., : Case No. 08-13555 (JMP)
:
Debtor. : (Jointly Administered)
:
:
Hon. James M. Peck
-----X

**OBJECTION OF BROADRIDGE SECURITIES PROCESSING SOLUTIONS, INC. TO
PROPOSED CURE AMOUNT**

Broadridge Securities Processing Solutions, Inc. (f/k/a ADP Financial Information Services, Inc.) (“Broadridge”), by and through its undersigned counsel, files this objection (the “Objection”) to Lehman Brothers Holdings, Inc.’s (“LBHI”) stated cure amount to be paid in connection with the proposed assumption and assignment of Broadridge’s contract with Lehman Brothers, Inc. (“LBI”) to Barclays Capital, Inc. (“Barclays”) and, in support hereof, respectfully states as follows¹:

PRELIMINARY STATEMENT

The Debtors (as defined below) assert on the schedules located at

¹ The Debtors (as defined below) list various names on the Updated Schedules (as defined below) and the Original Schedules (as defined below) in apparent reference to Broadridge (“ADP Brokerage Services, Inc.,” “ADP Financial Services,” “Broadridge” and “Broadridge Securities Processing Solutions, Inc.”). One of these, ADP Brokerage Services, Inc., is listed seven times. Notwithstanding any separate references to Broadridge entities by the Debtors, all services are provided by Broadridge under a single contract defined below as the Broadridge Agreement.

<http://chapter11.epigsystems.com/Lehman> and titled "List of IT Closing Date Contracts (updated as of 10/1/2008 9:00 PM)" and "List of Non-IT Closing Date Contracts (excluding Corporate Real Estate) (updated as of 10/1/2008 9:00 PM)" (together, the "Updated Schedules"), that the aggregate cure amount for Broadridge's contract with LBI is \$2,237,063.53. While Broadridge has no objection to the assumption and assignment of its contract with LBI to Barclays, Broadridge objects on the grounds that the Debtors have incorrectly calculated the cure amount necessary to cure all defaults. Broadridge asserts that the correct amount necessary to cure its contract with LBI is \$5,825,552.37. The schedule of invoices supporting this amount is attached hereto as **Exhibit A**.

BACKGROUND

1. Broadridge and LBI are parties to that certain Master Services Agreement dated April 11, 2000, as amended from time to time, and related Schedules (collectively, the "Broadridge Agreement"). Pursuant to the Broadridge Agreement, Broadridge provides various securities-related services including trade processing, electronic proxy voting, prospectus mailing, dividend check processing, and other services. In the ordinary course, Broadridge issues invoices to LBI for payment of its services.

2. On September 15, 2008 (the "Petition Date"), LBHI, the parent company of LBI, commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). On September 16, 2008, LB 745 LLC ("LB 745") commenced a voluntary case under chapter 11 of the Bankruptcy Code. On September 23, 2008, PAMI Statler Arms LLC ("PAMI Statler Arms," together with LBHI and LB 745, the "Debtors") commenced a voluntary case under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their business and manage their properties as debtors-in-possession pursuant to the Bankruptcy Code.

3. On September 17, 2008, the Debtors filed the Debtors' Motion to (A) Schedule a Sale Hearing; (B) Establish Sale Procedures; (C) Approve a Break-up Fee; and (D) Approve the Sale of the Purchased Assets and the Assumption and Assignment of Contracts Relating to the Purchased Assets (the "Sale Procedures Motion") including an Asset Purchase Agreement (the "Asset Purchase Agreement") that contemplated a sale of certain of the Debtors' assets, including certain of LBI's assets, to Barclays. On September 17, 2008, an order was entered approving the Sale Procedures Motion, and this Court approved the sale on September 20, 2008. The sale to Barclays closed on September 22, 2008.

4. On September 19, 2008, schedules of executory contracts and unexpired leases that the Debtors planned to assume and assign to Barclays pursuant to the Asset Purchase Agreement along with proposed cure amounts were posted on the Debtors' case information website (the "Original Schedules"). Various listings referencing Broadridge entities (but without any specific references to the Broadridge Agreement) appeared on the Original Schedules with cure amounts listed next to each name, although no information was provided with respect to how the cure amounts were calculated. The Broadridge listings indicated an aggregate proposed cure amount of \$3,667,488.05 (the "Original Proposed Cure Amount").

5. Subsequently on October 1, 2008, the Debtors posted the Updated Schedules on their website which indicated a modified aggregate proposed cure amount for all of the Broadridge entities listed of \$2,237,063.53 (the "Updated Proposed Cure Amount").

OBJECTION

6. Broadridge objects to the Debtors' proposed cure amount on the grounds that: (i) the Debtors have not disclosed how they determined the Updated Proposed Cure Amount and (ii) the Debtors have incorrectly calculated the cure amount necessary to cure all defaults under the

Broadridge Agreement. Because the Debtors' Updated Schedules contain references to multiple Broadridge entities, Broadridge objects to each of the listings and cure amounts contained in the Updated Schedules.

7. Broadridge asserts that as of the close of business on September 19, 2008 (the last business day prior to the closing of Barclays' acquisition of LBI's assets), LBI owed to Broadridge under the Broadridge Agreement the sum of \$5,825,552.37. Attached hereto as **Exhibit A** is a schedule of invoices (and amounts) issued by Broadridge to LBI establishing the cure amount of \$5,825,552.37. Therefore, Broadridge objects to the assumption and assignment of the Broadridge Agreement unless, as required by sections 365(b)(1)(A) and 365(f)(2) of the Bankruptcy Code, Broadridge receives prompt payment of cure in the amount of \$5,825,552.37, rather than the Updated Proposed Cure Amount. The actual invoices and other documentation that supports Broadridge's stated cure amount is voluminous and not attached to this Objection. Such documentation is being provided by Broadridge to the Debtors and Barclays.

WHEREFORE, Broadridge respectfully requests that the Court grant its Objection and find that the cure amount due Broadridge under the Broadridge Agreement is not less than \$5,825,552.37 and grant such other relief as may be just.

October 3, 2008

Respectfully submitted,

SQUIRE, SANDERS & DEMPSEY L.L.P.

/s/Stephen D. Lerner

Stephen D. Lerner (2067841)

1095 Avenue of the Americas, 31st Floor

New York, NY 10036

(212) 872-9800 - phone

(212) 872-9815 - facsimile

*Counsel for Broadridge Securities Processing
Solutions, Inc.*

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served, via filing through the Court's
ECF system this 3rd day of October, 2008.

/s/ Stephen D. Lerner

Stephen D. Lerner

**EXHIBIT A TO OBJECTION OF BROADRIDGE SECURITIES PROCESSING
SOLUTIONS, INC. TO PROPOSED CURE AMOUNT¹**

SBU	Inv #	Service Description	Invoice Date	Invoice Amount
IC	SH03302	Global Proxy	07/01/2008	3,609.74
IC	GP08155030	Global Proxy	06/03/2008	11,904.00
IC	GP08184029	Global Proxy	07/15/2008	27,609.50
IC	GP08217030	Global Proxy	08/13/2008	2,724.00
IC	GP08247029	Global Proxy	09/03/2008	2,076.00
IC	GP08276030	Global Proxy	10/02/2008	2,605.63
IC	SH03615	Sharelink Dividend	10/02/2008	3,609.61
IC	SH03616	Sharelink Dividend	10/02/2008	3,545.05
IC	SH03617	Sharelink Dividend	10/02/2008	3,592.91
IC	SH03618	Sharelink Dividend	10/02/2008	2,308.23
ID	PS15669	Postsale	04/25/2008	83,815.18
ID	PS15884	Postsale	05/28/2008	125,888.90
ID	PS16114	Postsale	06/26/2008	93,647.99
ID	PS16353	Postsale	07/25/2008	103,367.22
ID	PS16582	Postsale	08/26/2008	74,658.79
ID	PS16836	Postsale	09/20/2008	58,351.91
ID	PS17017	Postsale	09/19/2008	44,053.69
ID	38041	Transaction Reporting	06/30/2007	7,000.00
ID	39878	Transaction Reporting	06/30/2007	1,400.00
ID	6565i	Transaction Reporting	01/31/2008	15,028.49
ID	6593-l	Transaction Reporting	05/30/2008	94,664.07
ID	6587-l	Transaction Reporting	05/30/2008	206,231.75
ID	6608-l	Transaction Reporting	06/30/2008	144,751.45
ID	6614-l	Transaction Reporting	06/30/2008	82,920.26
ID	6630-l	Transaction Reporting	07/31/2008	870.83
ID	6631-l	Transaction Reporting	07/31/2008	2,471.38
ID	6632-l	Transaction Reporting	07/31/2008	203,194.07
ID	6633-l	Transaction Reporting	07/31/2008	9,572.80
ID	6635-l	Transaction Reporting	07/31/2008	577.68
ID	6637-l	Transaction Reporting	07/31/2008	158.93
ID	6638-l	Transaction Reporting	07/31/2008	119,225.82
ID	6640-l	Transaction Reporting	07/31/2008	569.50
ID	6641-l	Transaction Reporting	07/31/2008	1,564.46
ID	6654i	Transaction Reporting	08/31/2008	2,303.34
ID	6655i	Transaction Reporting	08/31/2008	173,041.42
ID	6656i	Transaction Reporting	08/31/2008	8,474.86
ID	6660i	Transaction Reporting	08/31/2008	134.79
ID	6661i	Transaction Reporting	08/31/2008	82,023.18
ID	6663i	Transaction Reporting	08/31/2008	2,496.45
ID	6665i	Transaction Reporting	08/31/2008	17,061.49

¹ Notwithstanding later dates associated with some invoices, all amounts listed on this Exhibit A reflect activity only through the close of business on September 19, 2008 (the last business day prior to the closing of Barclays' acquisition of LBI's assets).

**EXHIBIT A TO OBJECTION OF BROADRIDGE SECURITIES PROCESSING
SOLUTIONS, INC. TO PROPOSED CURE AMOUNT**

SBU	Inv #	Service Description	Invoice Date	Invoice Amount
ID	6589-I	Transaction Reporting	05/30/2008	38,257.52
ID	6589A	Transaction Reporting	05/30/2008	8,480.42
ID	6591-I	Transaction Reporting	05/30/2008	50,939.63
ID	6610-I	Transaction Reporting	06/30/2008	37,693.73
ID	6612-I	Transaction Reporting	06/30/2008	48,809.18
ID	6634-I	Transaction Reporting	07/31/2008	38,800.21
ID	6636-I	Transaction Reporting	07/31/2008	51,576.77
ID	6642-I	Transaction Reporting	07/31/2008	899.26
ID	6657i	Transaction Reporting	08/31/2008	32,736.01
ID	6658i	Transaction Reporting	08/31/2008	525.32
ID	6659i	Transaction Reporting	08/31/2008	47,969.75
ID	6662i	Transaction Reporting	08/31/2008	9,444.82
ID	6664i	Transaction Reporting	08/31/2008	615.01
ID	6666i	Transaction Reporting	08/31/2008	8,521.91
ID	6675-I	Transaction Reporting	09/19/2008	2,706.23
ID	6676-I	Transaction Reporting	09/19/2008	118,125.77
ID	6677-I	Transaction Reporting	09/19/2008	8,721.04
ID	6681-I	Transaction Reporting	09/19/2008	105.50
ID	6682-I	Transaction Reporting	09/19/2008	77,517.92
ID	6683-I	Transaction Reporting	09/19/2008	2,360.81
ID	6674-I	Transaction Reporting	09/19/2008	14,367.53
ID	6678-I	Transaction Reporting	09/19/2008	19,062.64
ID	6679-I	Transaction Reporting	09/19/2008	162.27
ID	6673-I	Transaction Reporting	09/19/2008	7,493.08
ID	6680-I	Transaction Reporting	09/19/2008	46,351.67
ID	6684-I	Transaction Reporting	09/19/2008	312.56
ID	OS2009	Transaction Reporting	09/12/2008	54.02
ID	OS2043	Transaction Reporting	09/24/2008	30.51
ID	40453	Postedge/Confirms	03/31/2008	4.16
ID	40996	Postedge/Confirms	05/31/2008	15.69
ID	41416	Postedge/Confirms	06/30/2008	8,000.00
ID	41615	Postedge/Confirms	07/31/2008	8,000.00
ID	41858	Postedge/Confirms	08/31/2008	8,000.00
ID	41859	Postedge/Confirms	08/31/2008	5.71
ID	6685-I	Postedge/Confirms	09/30/2008	5,333.00
BPS	41162	Telecommunications	06/30/2008	34,275.75
BPS	41426	Year-end -BPS	06/30/2008	26,349.47
BPS	41429	Client Enhancements	06/30/2008	19,375.00
BPS	41478	Telecommunications	07/31/2008	29,763.09
BPS	41591	XML	07/31/2008	4,000.00

**EXHIBIT A TO OBJECTION OF BROADRIDGE SECURITIES PROCESSING
SOLUTIONS, INC. TO PROPOSED CURE AMOUNT**

SBU	Inv #	Service Description	Invoice Date	Invoice Amount
BPS	41594	Client Enhancements	07/31/2008	38,750.00
BPS	41766	Telecommunications	09/30/2008	29,763.09
BPS	41860	BPS Trade Processing	09/30/2008	1,480,535.17
BPS	41861	BPS Ancillary Services	09/30/2008	8,085.00
BPS	41863	Disaster Recovery	09/30/2008	72,242.00
BPS	41864	Client Enhancements	09/30/2008	19,375.00
BPS	41862	Data Collections	09/30/2008	650.00
BPS	6691	Advantage	09/30/2008	5,299.98
BPS	6690	BPS Trade Processing	09/30/2008	1,348,310.23
BPS	6688	Client Enhancements	09/30/2008	98,750.00
BPS	6686	Data Collections	09/30/2008	433.33
BPS	6687	Disaster Recovery	09/30/2008	-
BPS	6689	Telecommunications	09/30/2008	29,763.09
BPS	41415	BPS Year-end	06/30/2008	15,186.27
BPS	41857	BPS Ancillary	08/31/2008	7,050.00
BPS	41764	Telecommunications	08/31/2008	1,699.00
BPS	6693	Ancillary	09/30/2008	4,699.99
BPS	6692	Telecommunications	09/30/2008	1,699.00
SIS	1252	OMS & Conversion Support	08/31/2008	9,100.00
SIS	1255	OMS	09/30/2008	333.33
Wilco	4534	Special Processing	08/31/2008	8,000.00
Wilco	4535	Telecommunications	08/31/2008	813.14
Wilco	4578	Special Processing	09/30/2008	5,333.28
Wilco	4579	Telecommunications	09/30/2008	813.14
Total Lehman Receivables as of 09/19/2008				\$ 5,825,552.37